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Legislation

NOTE: The following list has been divided into two sections: Selected Program Legislation and Financial Management Legislation. The program legislation cited is representative and covers the highest dollar programs in the Department including Medicare, Medicaid, and Temporary Assistance for Needy Families.

Selected Program Legislation

The Social Security Act of 1935

Many of the most popular government programs are found under the umbrella of the Social Security Act. While the original act provided only retirement benefits, there have been numerous amendments over the years, both minor and major, to that act. The Social Security Administration (SSA) oversees the retirement, disability, and survivor programs, while the titles of the act dealing with health and human services are administered by HHS. The largest of these programs are as follows:

- *Medicare, established in 1965, is the federal health insurance program for people age 65 or older and people under*

age 65 who are disabled or suffer from end-stage renal disease (ESRD);

- *Medicaid, also established in 1965, is a jointly funded, federal-state program that provides medical assistance to certain groups of low-income people and others with special health care needs;*

- *The State Children's Health Insurance Program (SCHIP) is a partnership between the federal and state governments that will help provide children with the health coverage they need to grow up healthy. The Balanced Budget Act of 1997 created SCHIP under Title XXI of the Social Security Act;*

- *The Temporary Assistance for Needy Families (TANF) block grant, a single capped entitlement program, provides funds to states to design creative programs to help families move from welfare to self-sufficiency. Under TANF, recipients must engage in work activities to receive time-limited assistance. It was enacted in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (Public Law 104-193); and*

- *The Child Support Enforcement (CSE) program is a joint federal, state and local partnership that seeks to ensure financial and emotional support for children from both parents by locating non-custodial parents, establishing paternity, and establishing and enforcing child support orders.*

The Head Start Act of 1981

The Head Start Act was passed as part of the Omnibus Budget Reconciliation Act (OBRA) of 1981. Head Start ensures that low-income children start school ready to learn.

The Prescription Drug User Fee Act of 1992

The Prescription Drug User Fee Act (PDUFA) authorizes the collection of user fees for reviewing drug applications and was reauthorized as part of the FDA Modernization Act of 1997. The Food and Drug Administration (FDA) is authorized to collect approximately \$150 million in user fees each year.

Financial Management Legislation

Federal Managers' Financial Integrity Act of 1982

The Federal Managers' Financial Integrity Act (FMFIA) of 1982, Public Law 97-255, was signed into law September 8, 1982 to amend the Accounting and Auditing Act of 1950. It requires ongoing evaluations and reports on the adequacy of the systems of internal accounting and administrative controls of each executive agency.

Chief Financial Officers Act of 1990

The Chief Financial Officers (CFO) Act of 1990 focused attention on financial management improvements in the federal government by requiring the identification of a responsible official to oversee financial management. The law created a framework for financial organizations to focus on the integration of accounting, budget and other financial activities under one umbrella,

the preparation of audited financial statements, and the integration of financial management systems. It also requires federal agencies to prepare a CFO strategic five-year plan. The act required 14 Cabinet-level Departments and ten major agencies to establish the position of a CFO who reports to the agency head.

Government Performance and Results Act of 1993

The Government Performance and Results Act (GPRA) which was fully implemented beginning in FY 1999, has placed new management expectations and requirements on federal agencies by creating a framework for more effective planning, budgeting, program evaluation and fiscal accountability for federal programs. The intent of the Act is to improve public confidence in federal agency performance by holding agencies accountable for achieving program results and to improve Congressional decision making by clarifying and stating program performance goals, measures, and costs up front. Federal agencies are required to implement GPRA through their processes for strategic plans, annual performance plans, and annual performance reports. FY 1999 was the first year that annual performance plans were required. Actual accomplishments for FY 2000 were reported in FY 2001. FY 2001 accomplishments will be reported in the GPRA FY 2003 performance plan/FY 2001 performance report.

Government Management Reform Act of 1994

The Government Management Reform Act (GMRA) amends the CFO Act and expands the requirement for audited financial statements to cover all programs. It also provides OMB with the authority

to streamline statutory reporting by federal agencies, requires the use of electronic funds transfer for payments to federal employees and beneficiaries, and creates the Franchise Fund Pilot program for studying the concept of government enterprise.

Federal Acquisition Streamlining Act of 1994

The Federal Acquisition Streamlining Act (FASA) of 1994 was enacted to revise and streamline the acquisition laws of the federal government. FASA also expanded the definition of records, placed additional record retention requirements, and gave agencies statutory authority to access computer records of contractors doing business with the government.

Debt Collection Improvement Act of 1996

The Debt Collection Improvement Act (DCIA) of 1996, Public Law 104-134, was signed into law April 26, 1996. The law's provisions have enhanced and improved debt collection government-wide.

Key provisions of the act include the:

- ✱ *Enhancement of administrative offset authority, the Treasury Offset Program;*
- ✱ *Enhancement of salary offset authority;*
- ✱ *Requirement for taxpayer identification numbers;*
- ✱ *General extension of the Debt Collection Act of 1982 authorities;*
- ✱ *Barring of delinquent debtors from obtaining federal credit;*
- ✱ *Reporting to credit bureaus;*

- *Government-wide cross servicing;*
- *Establishment of debt collection centers;*
- *Provision for gainsharing;*
- *Establishment of the tax refund offset program;*
- *Provision for contracting with private attorneys;*
- *Administrative wage garnishment; and*
- *Debt sales by agencies.*

Federal Financial Management Improvement Act of 1996

The Federal Financial Management Improvement Act (FFMIA) of 1996, Public Law 104-208, requires that each agency shall implement and maintain financial management systems that comply substantially with federal financial management systems requirements, applicable federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

Information Technology Management Reform Act of 1996

Information Technology Management Reform Act (ITMRA) ensures that the federal government's investment in information technology is made and used wisely. The law was designed to increase competition, eliminate burdensome regulations, and help the government benefit from efficient private sector techniques.

ITMRA requires agencies to develop a formal process for maximizing the benefits of information technology

acquisition, including planning, assessment, and risk management.

The ITMRA created the statutory position of Chief Information Officer in major federal government agencies. It requires the Office of Budget, Technology, and Finance, the agencies, and the Chief Information Officers to improve information technology practices. It also requires mission and program driven strategic planning for information technology. The ITMRA requires senior management user guidance to ensure information technology activities align with agency plans and operations. It requires regular assessments of information technology skills inventory, skills requirements, and skills development programs. In short, the ITMRA requires the development of an effective and efficient, mission-oriented, user-oriented, results-oriented information technology practice in each and every federal agency.

The Balanced Budget Act of 1997 (BBA 97)

The Omnibus Budget Reconciliation Act of 1993 (OBRA 93)

The Omnibus Budget Reconciliation Act of 1990 (OBRA 90)

A major component of these laws (cited among others) was the emphasis on extending the solvency of the Medicare Hospital Insurance (HI) Trust Fund. These laws reduced Medicare payments to hospitals, skilled nursing facilities and home health agencies, which reduced expenditures from the HI Trust Fund. As a result of these efforts, in combination with other beneficial effects, the HI Trust Fund insolvency date has been pushed back from the year 2003 to

2029. These figures were taken from the Medicare HI Trustees Reports for 1990 and 2001, respectively.

Travel and Transportation Reform Act of 1998

The Travel and Transportation Reform Act of 1998 (TTRA), requires federal employees to use federal travel charge cards for all payment of official government travel, to amend Title 31, United States Code, to establish requirements for prepayment audits of federal agency transportation expenses, to authorize reimbursement of federal agency employees for taxes incurred on travel or transportation reimbursements, and to authorize test programs for the payment of federal employee travel expenses and relocation expenses.

Federal Activities Inventory Reform Act of 1998

On October 19, 1998, the Federal Activities Inventory Reform Act (FAIRA) of 1998 was signed into law. This landmark legislation requires federal agencies to list activities eligible for privatization and to make this list available to the public. FAIRA permits prospective contractors and other interested parties to challenge the omission of particular activities from the list. Nevertheless, although agencies are directed to review the list, FAIRA does not actually require agencies to privatize listed activities. However, the legislation directs agencies to review the activities on the list soon after the list has been made available to the public.

Federal Financial Assistance Management Improvement Act of 1999

The Federal Financial Assistance Management Improvement Act of 1999 (Public Law 106-107) requires OMB and the federal agencies to work together with the various grantee communities to streamline, simplify, and provide electronic options for the grants management processes employed by federal agencies. The purposes of this Act, signed into law on November 20, 1999, are to improve the delivery of services to the public and the effectiveness and performance of federal grant programs. Federal agencies are working with OMB to: 1) develop uniform administrative rules; 2) develop common application and reporting processes; 3) replace paper with electronic processing in administration of grant programs; and 4) identify statutory impediments to grants simplification.

Reports Consolidation Act of 2000

This legislation was enacted to authorize and encourage the consolidation of financial and performance management reports that are more meaningful and useful to the Congress, the President, and the public. The Reports Consolidation Act (RCA) provides for permanent authorization for consolidated reports, permits several alternative approaches to reporting, requires an Inspector General assertion on the agency's progress in addressing the most serious management and performance challenges, and requires the agency head to make an assertion on the completeness and reliability of the performance and financial data in the agency's report(s).

